

DEPARTMENT OF HEALTH SERVICES

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June 28, 1999

The Honorable Jackie Speier
Member of the Senate
State Capitol, Room 2032
Sacramento, CA 95814

Dear Senator Speier:

SUPPORT OF SENATE BILL (SB) 738 (APRIL 19, 1999 VERSION)

The Department of Health Services (Department), is pleased to sponsor SB 738, which will eliminate the sunset date for the sale of long-term care insurance policies certified by the California Partnership for Long-Term Care.

SB 738 will allow ongoing enrollment into this unique program that encourages modest and middle income Californians to purchase long-term care insurance, rather than depend on the state's Medi-Cal program and public resources for their future long-term care needs. The elimination of the sunset will reestablish confidence among consumers that these long-term policies will be valid if and when benefits are needed in 5, 10, 20 or more years. The Department believes the California Partnership for Long-Term Care must have stability in the eyes of consumers, agents, and the insurance companies who are critical elements to the ongoing success of the program.

If you have any questions regarding the Department's position on SB 738, please contact me at (916) 657-2843.

Sincerely,

ORIGINAL SIGNED BY

Charleen M. Milburn
Deputy Director
Legislative and Governmental Affairs